

Amend 2 Cal. Code Regs. section 18940.2 as follows:

18940.2. Gift Limit Amount.

(a) For purposes of Government Code section 89503, the adjusted annual gift limitation amount in effect for the period January 1, ~~2003~~2005, to December 31, ~~2004~~ 2006, is ~~\$340~~ \$360.

(b) The gift limitation of \$250 in Government Code section 89503 shall be adjusted biennially by the Commission to reflect changes in the Consumer Price Index and rounded to the nearest ten dollars (\$10). The resulting figure shall be the adjusted gift limitation in effect until January 1 of the next odd-numbered year.

(c) The gift limitation adjustment shall be based on the California Consumer Price Index for All Urban Consumers based on Consumer Price Index data obtained from the United States Bureau of Labor Statistics for the calendar year immediately preceding the year in which the adjustment is to take effect.

(d) The adjusted gift limitation amount shall be calculated by the Commission as follows:

(1) The base dollar amount of \$250 shall be increased or decreased by the cumulative percentage change in the annual average California Consumer Price Index from 1990 to the end of the calendar year immediately preceding the year in which the adjustment will take effect.

(2) The dollar amount obtained by application of the calculation set forth in subdivision (b) shall be rounded to the nearest ten dollars (\$10).¹

NOTE: Authority cited: Section 83112, Government Code.
Reference: Sections 87103(e), 89503 and 89506, Government Code.

¹ For example, the California Consumer Price Index for All Urban Consumers for 1990 is 135.0. In 1992, the California CPI increased to 145.6. Therefore the adjusted gift limitation amount beginning in 1993 would be calculated as follows:

$$\frac{\$250 \times 145.6}{135.0} = \$269.63 \text{ } (\$270 \text{ rounded to the nearest } \$10.)$$